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C O N F I D E N T I A L SECTION 01 OF 03 LAGOS 000509

SIPDIS

STATE FOR AF/W
STATE FOR CA/OCS/SDENYER
STATE FOR EB/ESC/IEC/ENR/BLEVINE
STATE FOR DS/IP/AF
STATE FOR INR/AA
STATE PASS DOE FOR DAS JBRODMAN AND CGAY
STATE PASS TREASURY FOR ASEVERENS AND SRENENDER
STATE PASS DOC FOR PHUPER
STATE PASS TRANSPORTATION FOR MARAD
STATE PASS OPIC FOR CDUFFY
STATE PASS TDA FOR BTERNET
STATE PASS EXIM FOR JRICHTER
STATE PASS USTR FOR ASST USTR SLISER
STATE PASS USAID FOR GWEYNAND AND SLAWAETZ

E.O. 12958: DECL: 04/04/2015

TAGS: [EPET](#) [EINV](#) [CASC](#) [PGOV](#) [ASEC](#) [MOPS](#) [NI](#)

SUBJECT: TIDEX STRIKE CONTINUES - THREE AMCITS RETURN TO WORK; TENSIONS STILL HIGH

REF: A. LAGOS 494

[B](#). LAGOS 502

[C](#). LAGOS 503

Classified By: Consul General Brian L. Browne for Reasons 1.4 (D & E)

Summary

[1](#). (C) Striking employees continue to prevent Tidex vessels and non-Nigerian crew members from leaving the ports of Onne, Escravos and Brass. However, the crews of two of the four vessels in Escravos returned to work. Three AMCITs were included in the two crews; ten AMCITs are still detained. Onne strikers again threatened the expatriates when port management officials attempted to move two boats. Tidex may soon notify Vanuatu two of its flag vessels are among the detained ships. Mission has been in contact with senior GON and Tidex officials over the weekend to resolve the situation, and will continue with such efforts.

Two Crews Return to Work in Escravos

[2](#). (C) On April 2, crews of two of the four vessels in Escravos crossed the picket line and returned to work. Three AMCITs, including one vessel captain, were among the crews. Ten AMCITs remain on vessels under control of the strikers.

Movement Order for 2 Vessels Prompts
Threat to Expat Safety

[3](#). (C) Tidex Nigeria Managing Director (MD) Bob Vaughn told Energy Officer that Intels, the port management company in Onne, attempted to move two vessels today. After a visit by Intels officials, the strikers refused to move the vessels, and threatened the safety of the expatriates. The strikers also threatened to react should any of the expatriates try to leave the vessel. Over the past few days, Tidex had removed from the vessels three expatriates who had resigned. Tidex's ability to remove further expatriates from the ships now seems in doubt.

Tidex to File Documents on the Vanuatu Flag Vessels

[4](#). (C) Tidex clarified the two vessels with Cameroonian crews are registered in the island state of Vanuatu. Tidewater management will make a final determination tonight whether to formally notify Vanuatu the two vessels are illegally detained. McNee and Vaughn have explained to us that Tidewater is required to notify a flag nation when their vessels are detained. This notice could elevate the profile of this crisis, and will likely lead to the Government of Vanuatu becoming involved.

Presidential Advisor Expresses
Concern and Pledges Support

[5](#). (C) Mission continues to urge the GON to peacefully resolve the situation. On April 2, Tidewater Executive Vice President Stephen Dick (recently arrived in Nigeria to work on the issue), Tidewater Senior Vice President McNee, MD Vaughn, and Energy Officer met Dr. Edmund Daukoru, Presidential Adviser for Petroleum Resources. Daukoru

expressed concern for the length of the strike and pledged support for a peaceful resolution. Daukoru was on his way out of the country on Saturday and said his deputy, Alhaji Paki, would take charge of the situation in his absence. The Consul General has also talked to Dr. Daukoru, and will follow up with Paki. Daukoru indicated the Minister of Labor likely will take the lead overall for the federal government for this situation.

NLC President Urges Dialog

16. (C) On April 1, Econ Officer contacted Nigerian Labour Congress (NLC) President Adams Oshiomhole to ask for assistance. On April 3, Oshiomhole told Econ Officer he had spoken with Vaughn and with the national leadership of the unions. Oshiomhole urged Tidex to commit to serious dialog with the union after the hostages are released. Oshiomhole believes the relationship between the strikers and their union is badly frayed, with many "gaps" and in need of many "bridges." He said he is working with the union's national leadership to discuss options. He emphasized the need to end the hostage situation and to ratchet down tensions on all sides.

Tidex Meets with Department of Petroleum Resources; DPR Urges Work with Unions and States to Resolve

17. (C) On April 4, SVP McNee, MD Vaughn, and Energy Off met with the Acting Head of the Department of Petroleum Resources, (DPR, the government regulatory agency for the petroleum industry), D.O. Oloketuyi. Oloketuyi was concerned by the length of the strike and threats of violence. He indicated Tidex should work through the unions and at the state level to resolve the issue. He is drafting a report for the GON outlining the situation. He indicated this would allow the GON to request official assistance from the states to resolve the situation. The Consul General will meet Oloketuyi on April 5.

Tidex Management Grows Increasingly Frustrated; Unions May be Ratcheting Up Demands

18. (C) In an April 3 conversation with Ambassador and ACS Officer, McNee and Vaughn reported NUPENG and PENGASSAN appear to be ratcheting up their demands (Note: As the unions and Tidex management are not in direct negotiations, reports regarding union demands are largely second-hand.) Earlier they indicated they would return to work if Tidex management agreed to negotiate; they now are also demanding increased wages before they will sit down at the negotiating table. McNee and Vaughn are growing increasingly frustrated, and stated they will not be forced to the negotiating table while their workers are being detained.

19. (C) In meeting DPR's Oloketuyi, McNee and Vaughn mentioned they may begin looking at "other options," meaning a military or police action. They emphasized to Energy Off they will not negotiate under duress, with strikers using crew members and vessels as bargaining chips. McNee emphasized the large sums of money both Tidex and the majors are losing with this strike. He and Vaughn said they believe the strikers are unarmed, and a show of force would likely scare them into releasing all crewmembers and vessels. Mission continues to emphasize the need to exercise patience, and the need for Tidex to allow the GON -- just appraised of the situation over the weekend -- sufficient time to resolve the situation. Unfortunately, Tidex management failed to bring the seized vessels to the attention of either the USG or GON for three weeks. Now, their patience seems to be fraying just days into our efforts to assist them.

110. (C) Mission Security Officer visited the Onne port today to view the situation. He reported the area appeared orderly and relatively calm. He saw no signs of weapons.
BROWNE